

DIRECTOR'S REPORT AND ACCOUNTS

BASS HOTELS AND HOLIDAYS LIMITED

30 September 1990

30 JUL 1991

BASS HOTELS AND HOLIDAYS LIMITED
REPORT OF THE DIRECTORS

The directors submit their report on the accounts of the Company for the year ended 30 September 1990.

1. TRADING RESULTS

The Company has not traded during the year. An adjustment to the Corporation Tax provision relating to an earlier period has been made.

2. APPROPRIATIONS

No dividend is proposed. The Retained Loss for the year has been transferred to Reserves.

3. ACCOUNTS

The Profit and Loss Account and Balance Sheet have been prepared under the historical cost convention except that certain fixed assets are included at valuation.

4. PRINCIPAL ACTIVITIES

The principal activities of the company is that of a parent company to a group of subsidiaries operating hotels in the United Kingdom. On 15 May 1990, 43 Crest hotels owned and operated by a subsidiary were sold to Trusthouse Forte (UK) Limited.

5. DIRECTORS

The following are the names of the persons who, at any time during the financial year, were directors of the Company:-

Name

B.D. Langton
R.W. Caston
P.J. Chester - resigned 15th May 1990
P.S. Whitney

6. DIRECTORS' INTERESTS

Set out below are the particulars of the interests according to the Register kept by the Company, of directors of the Company and their families, in the shares, debentures and unsecured loan stocks of Bass Plc, and its subsidiaries, at the commencement and close of the financial year. In accordance with the requirement of the Companies Act 1985, non-beneficial trustee holdings other than holdings as a bare trustee have been included.

The directors' interests in shares issued to Trustees under the terms of the Bass Employee Profit Share Scheme (Scheme Shares) are also shown.

BASS HOTELS AND HOLIDAYS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 SEPTEMBER 1990 (Continued.....)

6. DIRECTORS' INTERESTS (Cont'd.....)

(b) beneficial

	Direct	Bass Plc Ordinary Shares		Direct	Scheme Shares
		1990	1989		
R.W. Caston (b)	-	1,181	369	1,068	
P.S. Whitney (b)	1,305	925	1,122	869	

7. FIXED ASSETS

There have been no changes in fixed assets during the year, other than a write down of the value of an investment in a subsidiary company.

8. POST BALANCE SHEET EVENTS

Up to and including 30 June 1991 no significant events affecting the company have occurred since the balance sheet date.

9. AUDITORS

The Company's auditors, Ernst and Young, do not seek reappointment as auditors. Touche Ross have expressed their willingness to be appointed in their place, and a resolution proposing this will be submitted at the Annual General Meeting.

By Order of the Board


 Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF BASS HOTELS AND HOLIDAYS
LIMITED

We have audited the accounts on pages 4 to 10 in accordance with
Auditing Standards.

In our opinion the accounts give a true and fair view of the state of
affairs of the Company at 30 September 1990 and of the loss for the
year then ended, and have been properly prepared in accordance with the
Companies Act 1985.

CMA & Y 25 JUL 1991

Ernst & Young
Chartered Accountants

London

BASS HOTELS AND HOLIDAYS LIMITED

ACCOUNTING POLICIES

The accounting policies are consistent with those adopted previously.

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention except that certain fixed assets are included at valuation.

(b) Fixed Assets and Depreciation

Fixed Asset Investments are stated at cost/valuation less any provision for diminution in value.

BASS HOTELS AND HOLIDAYS LIMITED

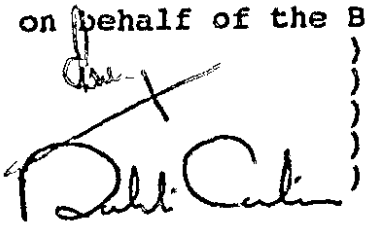
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1990

	<u>Note</u>	1990 £	1989 £
Turnover		-	-
Write off of balance due from Dollagh Ltd on liquidation of Company		-	(50,587)
Write off of investment in Dollagh Ltd on liquidation of Company		-	(100)
Provision for diminution in value of investment in Holiday Inns Garden Court Limited	3(a)	<u>(216,847)</u>	<u>-</u>
(Loss) on Ordinary Activities before Taxation		(216,847)	(50,687)
Tax on (Loss) on Ordinary Activities		<u>(200)</u>	<u>623,747</u>
(Loss)/Profit after taxation transferred to Reserves	7	<u>(217,047)</u>	<u>573,060</u>

Notes on pages 7 to 10 form an integral part of these accounts.

BASS HOTELS AND HOLIDAYS LIMITED

BALANCE SHEET
30 SEPTEMBER 1990

	<u>Note</u>	1990 £	1989 £
Fixed Assets			
Investments	3	21,442,202	21,659,049
Current Assets			
Debtors	4	21,363,046	21,363,046
Total assets less current liabilities		42,805,248	43,022,095
Creditors: Amounts falling due within one year		-	-
Net Current Assets		42,805,248	43,022,095
Creditors: Amounts falling due after more than one year	5	(16,194,107)	(16,193,907)
		26,611,141	26,828,188
Capital and Reserves			
Called-up share capital	6	24,328,944	24,328,944
Revaluation reserve	7	19,238,900	19,238,900
Profit and loss account	7	(16,956,703)	(16,739,656)
Signed on behalf of the Board			
	Directors		
25 JUL 1991		26,611,141	26,828,188

Notes on pages 7 to 10 form an integral part of these accounts.

BASS HOTELS AND HOLIDAYS LIMITED

NOTES TO THE ACCOUNTS

1. Profit and Loss Account

The Company has not traded during the year.

2. Staff Costs

No director of the company has received any emolument from the company during the year (1989 NIL).

3. Fixed Asset Investments

	Shares in Subsidiaries £
a) Movements during year	
i) Cost or valuation:	
At beginning and end of year	22,734,149
Provision for diminution in value:	
At the beginning of year	(1,075,100)
Provision in year	<u>(216,847)</u>
At end of year	<u>(1,291,947)</u>
Net total at end of year	<u>£21,442,202</u>
Net total at beginning of year	<u>£21,659,049</u>

BASS HOTELS AND HOLIDAYS LIMITED

NOTES TO THE ACCOUNTS (Continued.....)

3. Fixed Asset Investments (Continued.....)

a) Continued.....

- ii) Group accounts have not been prepared because the Company is a wholly owned subsidiary of another UK company. In the opinion of the directors the value of the subsidiaries is at least equal to the amount shown above and the principal subsidiaries included therein are:-

Company	Main Activity	Proportion of held Shares
Ambrose Timberframes Ltd	non trading	100%
Bass Holidays Ltd	non trading	100%
Holiday Inns (UK) Ltd (formerly called Bass Hotels and Holidays (UK) Ltd)	Hotel Operator	100%
Buddies Ltd	non trading	100%
Hobby and Leisure Holidays Ltd	non trading	100%
World Travel Centre Ltd	non trading	100%
Newhaven Yacht Club Ltd	non trading	100%
Proinvest Ltd	non trading	100%
Waterside Caravan and Chalet Parks Ltd	non trading	100%
Windsor Park Ltd	non trading	100%
Bass Hotels No. 4 Ltd (formerly called Bass & Crest Ltd)	non trading	100%
Garden Court Ltd	non trading	100%
Holiday Inn Hotels Ltd	non trading	100%
Holiday Inns Garden Court Limited	Hotel Operator	100%
Holiday Inns of Tel Aviv Limited (Israel)	non trading	100%
Holiday Inns Ltd (Kenya)	non trading	100%

All the above are directly held subsidiaries.

- b) Comparable amounts under the historic cost convention would be:-

at 30 September 1990	£2,203,302
at 30 September 1989	£2,420,149

BASS HOTELS AND HOLIDAYS LIMITED
 NOTES TO THE ACCOUNTS (Continued.....)

4. Debtors	1990 £	1989 £
Amounts owed by group companies - subsidiaries	<u>21,263,046</u>	<u>21,363,046</u>
Included in the above amounts due after more than one year of:		
Amounts owed by group companies - subsidiaries	28,645,377	28,645,377
less provision for diminution in value	<u>(7,282,331)</u>	<u>(7,282,331)</u>
	<u>21,363,046</u>	<u>21,363,046</u>
5. Creditors: amounts falling due after more than one year		
Amounts owed to group companies - subsidiaries	<u>16,194,107</u>	<u>16,193,907</u>
6. Called up Share Capital		
Authorised		
125,000,000 5% non cumulative preference shares of 10p each	12,500,000	12,500,000
125,000,000 ordinary shares of 10p each	<u>12,500,000</u>	<u>12,500,000</u>
	<u>25,000,000</u>	<u>25,000,000</u>
Allotted and fully paid		
121,644,721 5% non cumulative preference shares of 10p each	12,164,472	12,164,472
121,644,721 ordinary shares of 10p each	<u>12,164,472</u>	<u>12,164,472</u>
	<u>24,328,944</u>	<u>24,328,944</u>

BASS HOTELS AND HOLIDAYS LIMITED

NOTES TO THE ACCOUNTS (Continued.....)

7. Reserves

	Undistributable Revaluation Reserves	Profit & Loss Account
	£	£
Reserves at beginning of year	19,238,900	(16,739,656)
Retained Earnings for the year	-	(217,047)
Reserves at end of year	<u>19,238,900</u>	<u>(16,956,703)</u>

8. Ultimate Holding Company

Bass Public Limited Company incorporated in Great Britain and registered in England.